

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

UNITED STATES OF AMERICA,)
Plaintiff,) Case No. 1:22-cv-02977
v.)
ISAAC M. NEUBERGER,)
1 South Street)
27th Floor)
Baltimore, MD 21202)
Defendant.)

)

COMPLAINT

The United States of America, at the request of the Chief Counsel of the Internal Revenue Service, a delegate of the Secretary of the Treasury, and at the direction of the Attorney General of the United States, brings this action to obtain a judgment against Isaac M. Neuberger, individually, under 31 U.S.C. § 3713 for transferring the assets of the Lehcim Holdings, Inc. to third parties before paying the United States' claim for income taxes at a time when Lehcim Holdings, Inc., was insolvent.

JURISDICTION AND VENUE

1. This Court has jurisdiction over this action pursuant to 28 U.S.C. §§ 1340, 1345, and 26 U.S.C. § 7402.
2. Venue is proper in this Court pursuant 28 U.S.C. §§ 1391 and 1396.

PARTIES

3. Plaintiff is the United States of America.
4. Defendant Isaac M. Neuberger resides in this district and was, at all relevant times, the president of Lehcim Holdings, Inc. (“Lehcim”).

PERSONAL LIABILITY FOR DISTRIBUTIONS OF LEHCIM’S PROPERTY UNDER 31 U.S.C. § 3713(b)

5. The United States incorporates by reference the allegations set forth in paragraphs 1 through 4 above.
6. Defendant Neuberger is the president of Lechim.
7. Defendant Neuberger is also a Principal in the law firm of Neuberger, Quinn, Gielen, Rubin, & Gibber, P.A. (“Neuberger Quinn”).
8. Defendant Neuberger also purports to be Lechim’s attorney.
9. On or about November 20, 2019, the Internal Revenue Service issued a Notice of Deficiency to Lehcim for the following tax liabilities and years:

<u>Year</u>	<u>Type</u>	<u>Amount</u>
2010	Income	\$1,288,028.94
2010	Penalty	\$13,3468.53
2011	Income	\$756,832.47
2012	Income	\$15,856.19
2013	Income	\$4,403.10
2014	Income	\$4,974.02
2015	Income	\$7,891.91
		\$2,091,455.16

10. The Notice of Deficiency stated “[w]e determined that you owe additional tax or other amounts, or both, for the tax years above.” It then explained how Lehcim could challenge the notice of deficiency by filing a petition with the U.S. Tax Court. If Lehcim did not challenge the notice, then the liabilities would be assessed.

11. The IRS mailed the Notice of Deficiency to Lehcim at the offices of Neuberger Quinn. Upon information and belief, Defendant Neuberger knew of Lehcim’s unpaid tax liabilities on or before November 2019.

12. Lehcim did not petition the U.S. Tax Court, and the tax liabilities were assessed on July 13, 2020. Interest accrued and continues to accrue on these tax debts.

13. From November 20, 2019 until March 5, 2020, Defendant Neuberger – in his capacity as President of Lehcim – transferred \$2,627,280 of Lehcim’s funds to repay purported loans from third parties.

14. By March 5, 2020, Lehcim’s sole account, a commingled client trust account maintained by Neuberger Quinn, showed a zero balance.

15. At the time that Defendant Neuberger transferred the assets of Lehcim to third parties, Lehcim was or became insolvent. Its assets were insufficient to pay its expenses.

WHEREFORE, the United States prays that the Court:

A. Enter a judgment pursuant to 31 U.S.C. § 3713 in favor of the United States against Defendant Isaac M. Neuberger, individually, for \$2,091,455 plus interest according to law; and

B. Award the United States such other and further relief, including the costs of this action, that the Court deems just and proper.

Dated: November 16, 2022

DAVID A. HUBBERT
Deputy Assistant Attorney General

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